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UNCLAS SECTION 01 OF 02 KUALA LUMPUR 000759

SENSITIVE SIPDIS

DEPT FOR EAP/MTS

E.O. 12958: N/A

TAGS: PGOV PHUM PINR KDEM MY

SUBJECT: ANWAR WINS RESOUNDING BY-ELECTION VICTORY

- 11. (SBU) Summary. Anwar Ibrahim appears to have won the Permatang Pauh by-election by a wide margin, with early reports on the evening of August 26 giving him a two-to-one advantage over his Barisan Nasional opponent. On election eve, Anwar had sought to dampen expectations of a landslide victory, acknowledging that a relentless, negative BN campaign may have had some influence on ethnic-Malayvoters. On August 26 PKR contacts also alleged that the ruling Barisan Nasional (BN) party brought in "phantom" voters from outside the district and used the huge police presence to suppress voter turnout, especially in predominately Chinese areas. While early reports indicated voter turnout significantly down compared to the election last March, Anwar apparently has nevertheless won a resounding victory and will be returning to parliament, but not until sometime in October, according to the Parliamentary Speaker who controls the scheduling of his swearing-in. END SUMMARY.
- 12. (SBU) As of mid-evening on August 26, various, sometimes contradictory figures were coming in from official and political party sources but all seemed to indicate Anwar on top by about a two-to-one margin. The pro-government New Straits Times was reporting 27,629 votes for Anwar and 13,272 for Arif Shah, with about one-third of the votes remaining to be counted. This seemed to contradict earlier reports that only some 38,000 people went to the polls, which would be considerably less than in March. All pro-government papers were reporting that Anwar had won big, however. Throughout the day, PKR contacts had expressed worries that the heavy presence of police, especially in Chinese areas expected to vote overwhelmingly for Anwar, was suppressing voter turnout. Poloffs toured these areas, and observed large contingents of police in full riot gear in position alongside the road near polling places. Police had also closed a major artery in the area, hopelessly snarling traffic. Later in the day, PKR operatives claimed to have stopped several buses transporting "Indonesians" into the area to vote for the BN candidate, but this was still under investigation.
- 13. (SBU) Anwar's Pakatan Rakyat (PR) alliance appeared to dominate the last day of campaigning before the August 26 Permatang Pauh by-election. In a tour of the district, from the more urban, developed areas across the bridge from the Penang metropolis to the more rural, inland Malay area bordering on Kedah, Poloffs observed few BN activities of any significance, while Anwar's supporters seemed to be everywhere. About 90 percent of those passing vehicles choosing to display their political allegiances exhibited flags and stickers supporting the PR. Poloffs saw Deputy Prime Minister Najib address a predominantly Malay crowd of a few dozen at Penanti, where the scale of the logistical operation surrounding the DPM seemed out of proportion to the relative insignificance of the gathering. Arguing that the PR was neglecting the Malays, Najib chided the opposition-controlled Penang state government for not including the sole PAS state assemblymen in the state

administration. In the nearby Malay areas, BN banners proclaimed "Anwar a traitor to the Malays" and "Anwar will sell off Malaysia to foreigners. One of the BN's last events on August 25, a rally featuring two defectors from Anwar's PKR party, drew about 50 people, according to a political scientist at the local university.

14. (SBU) Anwar's campaign culminated with a series of rallies with the "grand finale" attracting an overflow crowd of many thousands in a carnival atmosphere in a large muddy field along the North South Highway. Anwar's supporters waited patiently and good-naturedly for over two hours in a steady rain for him to arrive. Long lines of police and Federal Reserve Unit trucks were parked in nearby areas but there was no police presence in the immediate vicinity of the rally. A police helicopter shining a spotlight on the crowd drew loud, contemptuous reactions from the ethnically-mixed assemblage. An elderly Chinese woman standing near Poloffs passionately warned a group of Malay youths that they must be especially vigilant in regard to the BN bringing in outsiders, who would use the identity cards of local residents to cast votes. She claimed that BN operatives had offered her RM500 to borrow her identity card with promises of an additional RM2000 if BN won the election. When Anwar finally arrived, squeezing his way through the rain and mud to the stage, he blasted the mainstream Malaysian media for its one-sided coverage of the campaign and humorously attempted to defuse BN charges that he was an agent of "the Chinese, the Indians, the Jews and the Americans" by proclaiming: "I am the only one in the the Americans" by proclaiming: world who is an agent of all.

 $\underline{\mathbf{1}}$ 5. (SBU) Despite evidence on the ground of overwhelming

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support for Anwar, by August 25 the de facto opposition leaders and his increasingly nervous aides were seeking to dampen expectations he would win with a huge majority. In addition to the feared manipulations of the vote, Anwar reportedly was conceding to reporters that the BN's relentless negative campaign against him probably was making some inroads among the Malay population. In the end, however, these worries seem to have turned out unfounded.

KEITH KEITH